

Senate Committee
on
Budget and Fiscal Review

SUBCOMMITTEE 5
Public Safety, Labor, and
Veterans Affairs

MAJOR ACTION
REPORT

May 26, 2005

Senate Bill 52
2005-06 Budget Bill

Members

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SUBCOMMITTEE No. 5

PUBLIC SAFETY, LABOR, and VETERANS AFFAIRS

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PUBLIC SAFETY AND CRIMINAL JUSTICE

0550 YOUTH AND ADULT CORRECTIONAL AGENCY (YACA)

- Approved a Finance Letter proposal to combine the programs of this agency into the new Department of Corrections and Rehabilitation, starting July 1, 2005. Budget Item 0550 has been deleted and the funding and programs have been included within Budget Item 5225 for the Department of Corrections and Rehabilitation. For display purposes in this report, the issues are separated by the current budget items.
- Reduced budget by \$850,000 related to a contract to develop a Request for Proposals (RFP) for CDC healthcare services.
- Approved a Finance Letter proposal for \$3.1 million General Fund to develop a plan for reforming the juvenile justice system and approved Budget Bill language restricting the use of the funds and requiring YACA to report monthly on how the funding is being spent and on the progress of the development of a plan.

0552 OFFICE OF THE INSPECTOR GENERAL

- Approved Finance Letter for \$4.1 million GF and 23 positions based on new workload adjustments for the OIG budget.
- Approved Finance Letter for an additional \$3.4 million and 19 positions to provide staff and resources to support additional workload resulting from the YACA Reorganization.
- Approved Budget Bill language requiring unspent funds from the augmentations for workload and the YACA Reorganization to revert to the General Fund.

0690 OFFICE OF EMERGENCY SERVICES

- Approved a proposal for a \$4 million reduction to various local assistance grant programs. Specifically, the proposal eliminates funding for the following programs: Community Crime Resistance Program (\$231,000); Career Criminal Apprehension Program (\$866,000); Serious Habitual Offender Program (\$137,000); Vertical Defense of Indigents (\$172,000); and Drug Abuse Suppression in Schools Program (\$690,000). In addition, the Rural Crime Prevention Program is reduced from \$3.3 million to \$1.4 million.
- Approved a proposal for \$1.8 million (federal funds and special funds) and 19 limited-term positions to manage current and future federal homeland security grants.
- Approved a Finance Letter proposal for \$35 million to provide funding for the estimated costs of response and recovery from recent federally declared disasters.

- Approved a Finance Letter proposal for \$5 million GF to purchase new fire engines for mutual aid response.
- Approved \$7.4 million in federal funds and 21 positions for additional support of Office of Homeland Security activities. Also approved \$139 million in federal funds for additional homeland security grants.
- Rejected Budget Bill and trailer bill language to establish the Office of Homeland Security as a separate department.

1870 VICTIM COMPENSATION AND GOVERNMENT CLAIMS BOARD

- Approved as budgeted.

5240 DEPARTMENT OF CORRECTIONS

- Approved a Finance Letter proposal to combine the programs of this department into the new Department of Corrections and Rehabilitation, starting July 1, 2005. Budget Item 5240 has been deleted and the funding and programs have been included within Budget Item 5225 for the Department of Corrections and Rehabilitation. For display purposes in this report, the issues are separated by the current budget items.
- Approved a proposal for an increase of \$7.5 million to reimburse local entities for the prosecution of crimes committed by inmates while incarcerated in the correctional system.
- Approved a proposal for \$956,000 and 8 half-time Jewish chaplain positions for equipment, food, and feeding materials to implement and maintain a statewide Jewish Kosher Meal Program being implemented as a result of a federal court order. Total on-going costs for the program will be approximately \$2 million.
- Approved authority to establish 53.5 two-year limited-term pharmacy technician positions to be used in place of contract registry positions. These positions would be funded through redirection of existing funds.
- Approved a proposal for \$9.8 million GF and 145.7 new positions to fund post relief for increased sick leave use and training requirements for registered nurses, supervising cooks, and Medical Technical Assistants (MTAs) and a Finance Letter proposal for a decrease of \$2.9 million GF to reflect a correction in the number of supervisory cooks.
- Rejected a proposal for \$2.6 million and 32 positions to provide supervision of inmate grounds-keeping crews.
- Approved \$2 million and 20 positions to staff Employee Relations Offices uniformly across prisons.
- Approved a reduction of \$300,000 to reclassify 25 headquarters peace officer positions, and adopted Budget Bill language directing the department to report on the conversion of peace officer positions in headquarters and regional offices.

- Approved \$2.6 million GF to implement DNA testing consistent with Proposition 69, a reduction of \$948,000 from the original request.
- Approved \$34.8 million GF for a price increase, a reduction of \$7.3 million from the original request.
- Approved a Finance Letter reduction of \$1.4 million related to estimated energy savings from two energy projects.
- Approved a Finance Letter proposal for \$1.1 million GF to fund recruitment and retention pay differentials for mental health positions at 12 institutions to comply with a court order issued in the *Coleman* lawsuit.
- Approved a Finance Letter proposal for \$4.1 million GF to implement revised guidelines for additional mental health staff in Administrative Segregation Units and Security Housing Units at Corcoran State Prison to comply with a court order issued in the *Coleman* lawsuit.
- Approved a May Revise Finance Letter proposal for an additional \$86.1 million (\$85.4 million GF) to reflect revisions in the projected growth in the inmate and parole populations.
- Approved a proposal for \$35 million GF for salary savings adjustments and adopted Budget Bill language requiring the department to revert any funds not used to fill specified positions.
- Approved a proposal for \$29.1 million GF to increase the number of Basic Correctional Officer Academy cadets from 640 to 1,920 annually.
- Approved a Finance Letter proposal to restore \$51.2 million of the unallocated reduction of \$95 million proposed for inmate and parolee programs. The revised reduction of \$44.1 million was allocated by eliminating and reducing a number of intermediate sanction and parole programs. Also adopted Budget Bill language requiring the department to report on the implementation of various parole programs.
- Approved a Finance Letter proposal for \$15 million GF to expand and improve parole and inmate programs that are evidence based. Also adopted Budget Bill language requiring the department to provide the Legislature with plans for expending these funds.
- Approved a Finance Letter proposal for \$17.3 million and 88.5 positions to implement improvements in the dental program.
- Approved a Finance Letter proposal for \$5.8 million GF and 46 positions to increase staff, improve staff and inmate safety, and address critical physical plant deficiencies at the California Institution for Men, Chino.
- Rejected a proposal to fund \$4.9 million for Phase III of a Pharmacy Health Care Management System.
- Rejected a Finance Letter proposal for \$12 million GF for preliminary plans for a new mental health facility at California Institution for Men, Chino, and a Finance Letter for \$3.3 million for a study for a new mental health facility at California Men's Colony, San Luis Obispo. These

are two of three new facilities that the department is proposing to build. The three facilities would house approximately 6,000 inmates and would cost an estimated \$1.4 billion to construct.

5430 BOARD OF CORRECTIONS

- Approved a Finance Letter proposal to combine the programs of this department into the new Department of Corrections and Rehabilitation, starting July 1, 2005. Budget Item 5430 has been deleted and the funding and programs have been included within Budget Item 5225 for the Department of Corrections and Rehabilitation. For display purposes in this report, the issues are still separated by the current budget items.
- Augmented funding by \$201.4 million GF to provide funding to County Probation that was proposed to be provided by federal TANF funds.

5440 BOARD OF PRISON TERMS

- Approved a Finance Letter proposal to combine the programs of this department into the new Department of Corrections and Rehabilitation, starting July 1, 2005. Budget Item 5440 has been deleted and the funding and programs have been included within Budget Item 5225 for the Department of Corrections and Rehabilitation. For display purposes in this report, the issues are separated by the current budget items.
- Approved a proposal for an increase of \$7 million and 61 positions to meet the estimated workload associated with the *Valdivia* Remedial Plan.
- Approved a May Revise Finance Letter for \$2.1 million and 20 positions to meet the increased caseload projections for parole revocation cases.

5460 DEPARTMENT OF THE YOUTH AUTHORITY (CYA)

- Approved a Finance Letter proposal to combine the programs of this department into the new Department of Corrections and Rehabilitation, starting July 1, 2005. Budget Item 5460 has been deleted and the funding and programs have been included within Budget Item 5225 for the Department of Corrections and Rehabilitation. For display purposes in this report, the issues are separated by the current budget items.
- Approved a Finance Letter proposal for a reduction of \$3.3 million (all funds) to reflect revisions in the projected growth of ward and parole populations. This decrease is composed of an increase of \$10.1 million GF, a decrease of \$3.6 million Proposition 98, and a decrease of \$9.8 million in reimbursements
- Approved a Finance Letter proposal for an increase of \$25 million GF and a decrease of \$25 million in reimbursements to reflect the permanent change of budgeting the amounts received from the counties as revenues instead of reimbursements.
- Approved a Finance Letter proposal for an increase of \$6.6 million GF and 66 positions to augment the funding provided for relief of posted positions. This increase is primarily

attributable to an increase in the relief needed to fund the accrual amounts for vacation and sick leave for posted positions.

- Approved a Finance Letter proposal for an increase of \$1.4 million GF to backfill the loss of federal funds previously used to fund substance abuse treatment programs.
- Approved \$23.9 million GF (\$14.8 million Proposition 98) to fund four remedial plans related to the *Farrell* settlement. The funding includes: \$17.1 million GF (\$14.8 million Proposition 98) and 208 positions for the Education Remedial Plan; \$1.2 million and 14 positions for the Interim Mental Health Remedial Plan; \$2.5 million and 19 positions for the Sex Offender Treatment Remedial Plan; and \$3.1 million and 12 positions for the Disability Remedial Plan. Also approved supplemental report language directing the department to report on implementation of the remedial plans.
- Approved a Finance Letter proposal for an increase of \$1.1 million GF to update the Ward Information Network information technology system.
- Rejected a Finance Letter proposal for an increase of \$1.5 million GF for a training needs assessment.

5480 COMMISSION ON CORRECTIONAL PEACE OFFICERS STANDARDS AND TRAINING

- Approved a Finance Letter proposal to combine the programs of this department into the new Department of Corrections and Rehabilitation, starting July 1, 2005. Budget Item 5480 has been deleted and the funding and programs have been included within Budget Item 5225 for the Department of Corrections and Rehabilitation. For display purposes in this report, the issues are separated by the current budget items.
- Approved as budgeted.

8120 COMMISSION ON PEACE OFFICERS STANDARDS AND TRAINING

- Approved as budgeted.

8140 STATE PUBLIC DEFENDER

- Approved as budgeted.

8180 PAYMENTS TO COUNTIES FOR THE COSTS OF HOMICIDE TRIALS

- Approved Budget Bill language to strengthen the reporting requirements for counties that receive homicide trial reimbursements.

CONTROL SECTION 24.10

- Approved Budget Bill language that would transfer up to \$14 million from the Driver Training Penalty Assessment Fund to the Peace Officer Training Fund and would transfer up to \$4.1 million from the Driver Training Penalty Assessment Fund to the Victim Witness Assistance Fund. Any remaining unallocated funds would be transferred to the General Fund.

LABOR

0559 LABOR AND WORKFORCE DEVELOPMENT AGENCY

- Reduced the Agency's budget by \$12,000 (reimbursements) to tie the communications budget to the level of actual expenditures in 2003-04. The Agency's communications expenditures received increased scrutiny after \$1,815 was expended on a "video news release" in 2004-05.

7100 EMPLOYMENT DEVELOPMENT DEPARTMENT

- Approved Finance Letter adjustments to state operations and benefit payments, to reflect the May 2005 forecast of claims for the Unemployment Insurance Program, the Disability Insurance Program, and the School Employees Fund Program.
- Approved Finance Letter to reduce the department's budget by \$8.7 million (special fund) and 112 positions to reflect a workload decrease in the foreign-labor certification area because that workload has been shifted to the federal government.
- Approved Governor's Budget proposal to augment the department's budget by \$9.1 million (special fund – one time) and 147 temporary personnel-years to liquidate the benefit audit backlog.
- Approved Finance Letter to augment the department's Budget by \$10 million (\$5 million GF one-time, \$5 million special fund ongoing) for specified nursing-education incentive programs that the Administration estimates will generate an additional 1,360 nurses each year.
- Approved compromise Legislative Analyst recommendation adding provisional language to increase legislative oversight for unspent Workforce Investment Act (WIA) funds or for unanticipated new federal WIA funds.
- Reduced the department's budget by \$402,000 and four positions to reflect the transfer of the department's video production facility to the Department of General Services.
- Approved Governor's Budget proposal to augment the department's budget by \$2.5 million (special fund) and 25 positions (three-year limited-term) to conduct increased enforcement activities against employers who violate labor laws. The Administration indicates it will coordinate this enforcement effort with similar efforts to be undertaken by the Department of Industrial Relations and the Contractors' State License Board.

7350 DEPARTMENT OF INDUSTRIAL RELATIONS

- Approved Finance Letter to reestablish up to 274.3 positions, previously added to implement workers' compensation legislation, which have been vacant more than six months and are subject to elimination by Government Code 12439. The department indicates these positions were kept vacant due to delays in implementing specific components of recent workers' compensation reforms and delays in the hiring process.
- Approved Governor's Budget proposal to augment the department's budget by \$3.0 million (special fund) and 29 positions (three-year limited-term) to conduct increased enforcement activities against employers who violate labor laws. The Administration indicates it will coordinate this enforcement effort with similar efforts to be undertaken by the Employment Development Department and the Contractors' State License Board.
- Augmented the department's budget by \$3.0 million (GF) and 32 positions to increase enforcement in the area of minimum wage and overtime law compliance in construction, agriculture, garment manufacturing, janitorial and restaurant employment. Added provisional language specifying the expenditure of this augmentation.

VETERANS AFFAIRS

8955-8966 DEPARTMENT OF VETERANS AFFAIRS AND VETERANS HOMES OF CALIFORNIA

- Rejected the Governor's Budget proposal to consolidate the headquarters and the three homes into a single budget unit.
- Approved Finance Letter for a \$97,000 GF reduction at the headquarters to generate GF savings. The Finance Letter rescinded the Governor's January Budget request for a \$973,000 unallocated GF reduction, some of which would have been taken at the homes.
- Approved Governor's Budget proposal to augment funding by \$100,000 (GF, one-time) to hire a consulting firm with expertise in hospital cost accounting systems.
- Approved Governor's Budget proposal to augment funding by \$446,000 (\$327,000 GF) and 1.0 position for maintenance at the new Northern California Veterans' Cemetery near Redding.